AMENDED IN SENATE JUNE 16, 2003 AMENDED IN ASSEMBLY APRIL 22, 2003

CALIFORNIA LEGISLATURE—2003-04 REGULAR SESSION

ASSEMBLY BILL

No. 231

Introduced by Assembly Member Steinberg Members Steinberg and Lieber

(Coauthors: Assembly Members Chu, Dutra, Hancock, Koretz, Laird, Lieber, Longville, Simitian, Wolk, and Yee)

(Coauthors: Senators Kuehl, Ortiz, Romero, and Vasconcellos)

January 30, 2003

An act to amend Section 11155 of, to add Sections 18901.6, 18901.9, and 18901.10 to, and to repeal Chapter 4.6 (commencing with Section 10830) of Part 2 of Division 9 of, the Welfare and Institutions Code, relating to public social services.

LEGISLATIVE COUNSEL'S DIGEST

- AB 231, as amended, Steinberg. Food stamps: CalWORKs: benefits.
- (1) Existing law provides for the California Work Opportunity and Responsibility to Kids (CalWORKs) program and other social services programs, under which each county provides cash assistance and other benefits to qualified low-income families and individuals.

This bill would add to resource exemptions applicable to the CalWORKs program a motor vehicle retained by an adult applicant or recipient.

By increasing amounts of income and resources that will not be considered in determining CalWORKs recipient eligibility, the bill AB 231 — 2 —

would increase the class of persons eligible for the CalWORKs program, and so would impose a state-mandated local program.

Existing law continuously appropriates moneys from the General Fund to defray a portion of county costs under the CalWORKs program.

This bill would, instead, provide that the continuous appropriation would not be made for the purpose of funding this motor vehicle exemption.

(2) Existing law provides for the federal Food Stamp Program, under which each county distributes food stamps provided by the federal government to eligible households.

This bill would apply rules governing the resource value of motor vehicles under the CalWORKs program to the Food Stamp Program. It would require the State Department of Social Services to seek any federal approvals necessary to implement this provision.

The bill would also require each county welfare department, to the maximum extent allowable under federal law, to provide transitional food stamp benefits to households terminating their participation in the CalWORKs program for a period of 5 months, as specified. The imposition of this new requirement on counties would create a state-mandated local program.

(3) Existing federal law establishes procedures for establishing eligibility under the federal Food Stamp Program, including the use of face-to-face interviews.

This bill would require each county welfare department, to the extent permitted by federal law, to exempt a person from complying with face-to-face interview requirements at initial application and recertification and would permit a person to use an alternative interview method if either of certain conditions exist, including hardship, and would establish procedures relating to the determination of each household's hardship status.

(4) Existing law requires the department and the California Health and Human Services Agency Data Center to design, implement, and maintain a statewide fingerprint imaging system for use in connection with the determination of eligibility for benefits under the Food Stamp Program and other social services programs.

This bill would delete this requirement.

(5) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund

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to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

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1 SECTION 1. The Legislature finds and declares all of the 2 following:

- (a) Despite California's agricultural abundance, more than 2.2 million low-income adults in California cannot always afford enough food. About one out of every three adults experiences episodes of hunger, according to a recent UCLA survey of Californians' health status.
- (b) Hungry Californians suffer from poor physical and emotional health, as well as a diminished capacity to learn and succeed in the workplace.
- (c) The federal Food Stamp Program is an essential, cost effective tool in preventing hunger among hard-working families, including families making the difficult transition from welfare to work. It provides over \$1.5 billion in federal food purchasing dollars to stimulate local economies throughout California.
- (d) Only 49 percent of eligible people are participating in the Food Stamp Program, according to the U.S. Department of Agriculture. Red tape and bureaucracy limit participation among eligible Californians—particularly working families, who represent 70 percent of eligible households—from receiving federally funded benefits. The UCLA survey found that 80 percent of adults who are income-eligible for food stamps and who are experiencing the actual pains of hunger are not receiving food stamps.
- (e) California has not exercised certain federal options that would make the program more responsive to the needs of working families. These include transitional food stamps, reduction of

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unnecessary welfare office visits, and an increase in the value of motor vehicles that food stamp households can own.

- (f) California's statewide fingerprint imaging system wastes money while deterring people from getting food stamps. The Bureau of State Audits recently determined that the state cannot justify the tens of millions of dollars spent on the implementation and annual operation of this system.
- (g) The strategies contained in this act will help eliminate the barriers that prevent working families from getting food stamps. By taking these steps, the Legislature intends to prevent hunger among working families and children, as well as save money and increase efficiency within state and county governments.
- SEC. 2. Chapter 4.6 (commencing with Section 10830) of Part 2 of Division 9 of the Welfare and Institutions Code is repealed.
- SEC. 3. Section 11155 of the Welfare and Institutions Code is amended to read:
- 11155. (a) Notwithstanding Section 11257, in addition to the personal property or resources permitted by other provisions of this part, and to the extent permitted by federal law, an applicant or recipient for aid under this chapter or an applicant or recipient under Chapter 2 (commencing with Section 11200) may retain countable resources in an amount equal to the amount permitted under federal law for qualification for food stamps.
- (b) (1) Notwithstanding Section 11257, to the extent permitted by federal law, a motor vehicle retained by an adult applicant or recipient for aid under this chapter and Chapter 2 (commencing with Section 11200) shall be exempt as a countable resource.
- (2) No appropriation pursuant to Section 15200 shall be made for the purpose of funding the resource exemption provided for in this subdivision.
- (c) The county shall determine the value of exempt personal property and motor vehicles in conformance with methods established under the Food Stamp Program.
- SEC. 4. Section 18901.6 is added to the Welfare and 36 Institutions Code, to read:
 - 18901.6. To the maximum extent allowable by federal law, each county welfare department shall provide transitional food stamp benefits to households terminating their participation in the CalWORKs program for a period of five months. Benefits shall be

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provided from the date participation in the CalWORKs program

- is terminated and shall be in an amount equal to the allotment
- received in the month immediately preceding that date, adjusted
- for the change in household income as a result of termination in the
- CalWORKs program. No adjustment shall be made within the
- five-month period based on information from another program in
- which the household participates. A household may reapply during the transition period to have benefit levels adjusted. If
- necessary, the county welfare department shall extend the annual
- food stamp recertification period until the end of the transition 10 11 period.
- 12 SEC. 5. Section 18901.9 is added to the Welfare and 13 Institutions Code, to read:

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- 18901.9. (a) For the purpose of eligibility under this chapter, the rules governing the resource value of motor vehicles shall be the same as those applied in the CalWORKs program, pursuant to Section 11155.
- (b) The department shall seek any federal approvals necessary to implement subdivision (a).
- (c) If any federal approvals are necessary to implement subdivision (a), that subdivision shall be implemented only upon the execution of a declaration by the director, which shall be retained by the director, stating that any federal approvals necessary to implement subdivision (a) have been obtained.
- SEC. 6. Section 18901.10 is added to the Welfare and Institutions Code, to read:
- 18901.10. (a) To the extent permitted by federal law and except as provided in subdivision (e), each county welfare department shall exempt a person from complying with face-to-face interview requirements for purposes of determining eligibility at initial application and recertification and shall permit a person to use an alternative interview method if either of the following conditions exist:
- (1) The household has no earned income and all its members are elderly or disabled.
- (2) The person is subject to hardship situation, as determined by the county. For purposes of this paragraph, hardship conditions include, but are not limited to, illness, transportation difficulties, care of a household member, hardships due to residency in a rural

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area, prolonged severe weather, and work or training hours that prevent the household from participating in an in-office interview.

- (b) The county welfare department shall determine each household's hardship status at application and recertification in order to determine its eligibility for an alternative method to the face-to-face interview. For purposes of this subdivision, an "alternative method to the face-to-face interview" includes, but is not limited to, a telephone interview.
- (c) A person eligible for an exemption under this section may request a face-to-face interview to establish initial eligibility or to comply with recertification requirements as required by federal law.
- (d) The county welfare department shall accept a household's statement regarding the hardship, except in cases where a member of the household is currently disqualified due to an intentional program violation.
- (e) The county welfare department shall—may not require an applicant exempted under this section due to hardship to make a personal appearance at a county welfare department office on initial eligibility certification and on each recertification, except for good cause or a suspicion of fraud. The department shall establish specific criteria to define "good cause" and "suspicion of fraud" for purposes of this subdivision.
- SEC. 7. Notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund.